



PSC NEWS

Missouri Public Service Commission

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FY-04-169

NATURAL GAS RATES TO CHANGE FOR ATMOS ENERGY--PALMYRA DISTRICT CUSTOMERS UNDER SCHEDULED SUMMER NATURAL GAS FILING

Jefferson City (March 31, 2004)---To reflect estimated changes in the cost of natural gas for the summer season, Palmyra District natural gas customers of Atmos Energy Corporation will see a decrease in natural gas rates under a scheduled summer season filing reviewed and accepted by the Missouri Public Service Commission. This rate change, which will take effect on April 1, 2004, is interim subject to refund.

A residential customer currently pays \$0.8081 per Ccf (100 cubic feet of gas). Under this filing, the rate will drop to \$0.7253 per Ccf, a decrease of approximately 8.3 cents per Ccf. The effect on a typical residential heating customer for the summer season (April through October) is a decrease of approximately \$26 when compared to rates currently in effect.

Approximately 60% to 75% of a customer's natural gas bill reflects the cost of natural gas from wholesale suppliers. **The wholesale cost of natural gas** (the cost your local natural gas company must pay to its suppliers for natural gas) **is not regulated by the Missouri Public Service Commission.** The wellhead cost of natural gas is unregulated and is primarily driven by supply and demand. The Missouri Public Service Commission does conduct an annual regulatory review to ensure that regulated gas companies make prudent decisions in securing natural gas supplies for their customers.

Atmos Energy Corporation serves approximately 1,430 natural gas customers in Palmyra, Missouri and the surrounding areas of Marion County.

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